OUTGOING AIRGRAM

DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

DEPARTMENT OF STATE A/GIS/IPR
FEB 1982
1413
PA or FOI EXEMPTIONS

RESTRICTED

83
ORIGIN:E
INFO
L
FE
DCL
REP
OLI
CIA
DCR

AMEMBASSY,

TOKYO.

A-108 June 13, 1952

Subject: FCN treaty. Informal discussions. Embassy despatch No. 13, May 6.

COMM
IMF

FRB
TAR
TR

This is in reference to Embassy's request for instructions regarding the Japanese desire for revision of the concluding sentence of Article XIV, paragraph 2 (enclosure 1, page 3; despatch, point 1a). In view of the arrangements otherwise made in the treaty regarding exchange matters, and Japan's prospective entry into the International Monetary Fund, the Department is prepared to offer an accommodation on this point. However, the Department prefers a drafting approach different from that suggested by the Japanese, and proposes the following. - Delete the material beginning with "in all matters" (12th line) to the end of the paragraph, and substitute:

elm

> "with respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to all rules and formalities in connection with importation and exportation."

This language is derived from Article I (1) of the GATT.

As to point 1 (b) of reference despatch, the Department does not believe that a reservation is necessary, and trusts that the Japanese will be persuaded by the line of argument advanced by the Embassy during the discussion reported.

ELT:CP:HWalker:jn
6/9/52

ACHESON

L/E NA L/T

DEPARTMENT OF STATE
G/T
JUN 18 1952
TREATY BRANCH
OFFICE OF THE LEGAL ADVISER

RESTRICTED